Before the FEDERAL COMMUNICATIONS COMMISSION

Washington, D.C. 20554

In the Matter of)	
)	
Revision of the Commission's Rules)	CC Docket No. 94-102
To Ensure Compatibility with)	
Enhanced E911 Emergency Calling Systems)	
Phase II Compliance Deadlines for Non-)	
Nationwide CMRS Carriers	Ś	

To: Wireless Telecommunications Bureau, Policy Division

NORTH CAROLINA RSA 3 CELLULAR TELEPHONE COMPANY D/B/A CAROLINA WEST WIRELESS PETITION FOR EXTENSION OF THE HANDSET ACTIVATION SCHEDULE BEGINNING NOVEMBER 30, 2003 FOR PHASE II OF ENHANCED 911 SERVICES

North Carolina RSA 3 Cellular Telephone Company d/b/a Carolina West Wireless ("Petitioner"), by its attorneys, hereby requests a temporary waiver of Section 20.18(g) of the Commission's rules and the modifying provisions of the Commission's Order in Revision of Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems, CC Docket 94-102, Order To Stay (rel. July 26, 2002), and an extension of the November 30, 2003 and subsequent deadlines to implement Phase II of Enhanced 911 ("E911") services. In particular, Petitioner seeks a temporary waiver of up to nine months of the requirement that Commercial Mobile Radio Service ("CMRS") carriers who have selected a handset-based Phase II E911 solution, and who have requested an extension of time under the provisions of the Commission's Order To Stay, follow a phased in implementation schedule of activation of location-capable handsets without respect to any Public Safety Answering Point ("PSAP")

request for deployment Phase II E911 services. ¹ As indicated below, Petitioner's request for additional Phase II relief is specific, focused, and limited in scope. Petitioner has undertaken concrete steps to come as close as possible to full compliance, has documented its efforts, and has a clear path to full compliance. ² This Petition is filed in compliance with the Commission's *Order To Stay*, CC Docket 94-102, FCC 03-241 (rel. October 10, 2003).

Petitioner has elected a handset-based solution to deliver Phase II E911 services over a Code Division Multiple Access ("CDMA") digital network. Petitioner was able to begin to sell and activate automatic location identification ("ALI")-capable handsets by September 1, 2003. Despite good-faith efforts, it does not appear likely that Petitioner will be able to assure that 25 percent of all new handsets activated are location capable no later than November 30, 2003, that 50 percent of all new handsets activated are location capable no later than May 31, 2004, that 100 percent of all new handsets activated are location capable no later than November 30, 2004, or that penetration of ALI-capable handsets among Petitioner's subscribers will reach 95 percent no later than December 31, 2005. Petitioner asks to be afforded an additional nine months to comply with each of the Phase II implementation requirements for handset activation. In support hereof, the following is respectfully shown:

I. Background

Petitioner is a Tier III, rural provider of CMRS, offering cellular radiotelephone services in North Carolina RSAs 2 and 3. In its Interim Report, filed August 1, 2003, Petitioner explains

¹ Order To Stay, Para. 33(1).

² Public Notice titled "Wireless Telecommunications Bureau Provides Guidance on Filings by Small and Mid-Sized Carriers Seeking Relief from Wireless E911 Phase II Automatic Location Identification Rules" released October 19,

that it abandoned efforts to deploy a network-based Phase II E911 solution. Investigation of that option revealed poor prospects for meeting the Phase II location accuracy requirements of Section 20.18(h)(1) of the Commission's rules, and manufacturer support for a compliant system was found lacking. Petitioner's service area is not conducive to a network-based solution due to mountainous terrain within the market, decentralized population and a base station configuration that will not predictably triangulate to deliver Phase II data.

As stated in Petitioner's declaration of change of solution, filed with the FCC on May 23, 2003, the handset-solution is considered to be the only practical means by which Petitioner may deploy Phase II services. This election permits Petitioner to pursue presently available Phase II location technology offerings. Described below are Petitioner's efforts to achieve a viable path to compliance with the FCC Phase II performance requirements.

A. Deployment of Technologies

Petitioner provides wireless services using a combination of AMPS and TDMA technologies. Petitioner plans to implement a CDMA overlay as part of an ongoing effort to adapt to current market conditions, to offer upgraded service features, and to maintain roaming arrangements with larger wireless carriers. The CDMA system will serve as a platform for the delivery of E911 Phase II technical data to the local PSAPs. To deploy CDMA technology, Petitioner has sought the services of Nortel Networks, which has presented to Petitioner a preliminary completion schedule for its proprietary XA Core Conversion / CDMA overlay technology. Petitioner has also procured the services of TeleCommunications Systems, Inc.

^{2001 (}footnotes omitted), citing the Commission's Fourth Memorandum Opinion and Order in CC Docket No. 94-102, 15 FCC Rcd 17442, at 17457 (2000).

(TCS) to provide the technical capabilities needed to successfully deploy a Phase II handset solution, including the Signal Soft location system. Work has begun under that contract.

Petitioner has been diligent in pursuing the CDMA and alternative Phase II technologies, having spent the past twenty months in serious exploration and negotiation with multiple equipment vendors. Petitioner selected Nortel's proposal for a CDMA system in December 2002. Frequency planning began, traffic studies were completed and final quotes were delivered the following spring. Price changes followed. Additional negotiations produced a revised contract between Petitioner and Nortel in September 2003. Petitioner's CDMA conversion is scheduled to be completed in May 2004. Almost immediately thereafter the complementary Phase II handset services of TCS will enable Petitioner to deliver ALI data to the PSAPs.

B. Availability of Capital

The handset-based Phase II solution to be deployed by Petitioner requires digital upgrades to the existing TDMA system. Petitioner's planned CDMA and associated technical upgrades must be deployed system-wide before reliable Phase II data can be delivered from ALI-capable handsets to local PSAPs. Financing the CDMA system is therefore a necessary precedent for implementation of E911 Phase II location services on Petitioner's system.

Petitioner began the search for funding of digital system upgrades in mid-2000. At that time petitioner contemplated a network-based solution to achieve Phase II capability. The State of North Carolina established a funding mechanism for Phase II deployment, but no state funds were available for cellular system digital conversion *per se*. For its digital conversion, Petitioner determined that the most practicable source for financing was the Rural Utilities Service (RUS). The loan process was initiated immediately, and has been diligently pursued to the present.

RUS loan document preparation began and meetings took place with RUS representatives. The application was submitted in final in November 2001. Exchanges of information between Petitioner and RUS occurred over the next several months, during which time Petitioner determined to pursue the CDMA overlay. In September 2002 RUS approved the application verbally and issued a "Loan Guarantee Letter," followed by a Designation Notice in November 2002, naming Petitioner as a "Borrower" from the Federal Financing Bank. (See Attachment A and B.)

RUS loan processing was delayed by property titles, engineering, and other matters, but a contract was signed with RUS and the loan was formalized in December 2002 with a "Mortgage, Security Agreement and Financing Agreement." (See Attachment C.)

During early 2003 RUS was provided with Nortel's plans and specifications for the CDMA overlay for RUS approval. At the same time Petitioner began to consider achieving E911 Phase II capabilities with a handset-based solution using the new CDMA system. Indeed, Petitioner declared to the FCC its change of election to a handset based solution in May 2003. Meanwhile, RUS requested more details about the Nortel proposal and contract terms, and meetings were held among RUS, Nortel and Petitioner. All RUS requests were satisfied, as acknowledged by letter dated August 29, 2003. (See Attachment D.) Petitioner's Board of Directors approved the Nortel proposal, and so certified to RUS by letter dated October 3, 2003. (See Attachment E.) In October 2003 RUS accepted the terms and approved the plans for the CDMA implementation. (See Attachment F.)

Having successfully spent the past three years in diligent pursuit of financing for a CDMA digital overlay, Petitioner is now in a position to implement a practicable handset-based

solution for delivery of E911 Phase II services. The arduous task of financing the CDMA overlay has been accomplished, and the path is clear for Petitioner's implementation of an upgraded network that will benefit the public interest by supporting state of the art E911 Phase II technology.

C. Coordination with PSAPs

There are seven PSAPs in Petitioner's service area. Petitioner has received requests for Phase II services and will begin to deliver Phase II data to all seven PSAPs upon commencement of operation of the new CDMA system. Each PSAP has agreed to the plan that Phase II data will be delivered via a handset-based solution over the CDMA system. While Petitioner has begun offering ALI-capable handsets, the PSAPs are aware that the continuing transition of Petitioner's subscriber base to ALI-capable handsets will proceed over a period of time. In particular, customers using TDMA and analog phones are expected to gradually convert to using ALI-capable CDMA devices.

D. The Path to Compliance

Petitioner has shown good faith in meeting the Commission's E911 requirements by implementing Phase I services for all Phase I capable PSAPs. Where Phase I service is not yet operational, it is in progress and is delayed for reasons beyond Petitioner's control, and will be implemented as soon as the PSAP is ready for Phase I.

Petitioner will provide Phase II services as soon as Nortel's digital CDMA infrastructure and TCS's Phase II enabling features are functional. Activity toward compliance will proceed apace in coordination with Petitioner's local PSAPs. Petitioner requests from the Commission up to a nine-month extension of time to comply with the handset activation requirements set forth in

the Order to Stay. Petitioner proposes that by August 31, 2004, 25 percent of all new handsets activated on its system will be location capable, that by February 28, 2005, 50 percent of all new handsets activated on its system will be location capable, and that by August 31, 2005, 100 percent of all new handsets activated on its system will be location capable.

During the months following the CDMA conversion, Petitioner expects its customers to pursue a natural progression of equipment upgrades, transitioning from TDMA and analog handsets to handsets that will be compatible with the CDMA Phase II data delivery system. While it appears unlikely that Petitioner's system will reach a full 95 percent penetration level of ALI-capable handsets by December 31, 2005, Petitioner refrains herein from seeking formal relief from the penetration requirement. Petitioner will make its best efforts to encourage subscribers to convert from TDMA and analog phones as quickly as possible. Additional relief will be sought only if Petitioner's developing situation necessitates an additional request.

II. Discussion

Generally, the Commission's rules may be waived when there is good cause shown³ and "when special circumstances warrant deviation from the general rule, and such deviation will serve the public interest." In the context of E911, the Commission has recognized that individual waivers that are "specific, focused and limited in scope, and with a clear path to compliance" may be granted where due to "technology-related issues" or "exceptional

47 C.F.R. § 1.3.

⁴ E911 Fourth Memorandum Opinion and Order, 15 FCC Rcd 17442, at 17457; Northeast Cellular Telephone Co. v. FCC, 897 F.2d 1164, 1166 (D.C. Cir. 1990) citing WAIT Radio v. FCC, 418 F.2d 1153, 1159 (D.C. Cir. 1969).

circumstances," a wireless carrier is unable to meet the established deadline.⁵ As explained below, Petitioner's request satisfies this standard.

Petitioner presents herein a waiver request that is specific, focused and limited in scope. The scope of the request is limited to Section 20.18(g) of the Commission's rules, as modified by the Order To Stay. Petitioner has made good faith efforts to comply with the other sections of Section 20.18 by implementing the Commission's Phase I requirements, and seeks only a temporary waiver permitting Petitioner additional time to comply with the Phase II ALI-capable handset activation and penetration requirements.

Petitioner's request is structured with a "clear path to compliance." ⁶ Rather than request a "broad, generalized waiver" or an indefinite extension. Petitioner proposes a schedule conducive to its circumstance as a rural carrier deploying a handset-based location technology during a digital overlay transition.

Petitioner has faced technological issues that have hindered its progress to date. As set forth in Petitioner's record before the FCC, petitioner devoted time and effort seeking a networkbased technology that did not prove feasible in Petitioner's markets. The handset solution is viable, but requires time to transition to CDMA and then to transition customers to ALI-capable handsets.

⁵ Id.

⁶ E911 Fourth Memorandum Opinion and Order, 15 FCC Rcd 17442, at 17457, para. 44.

⁷ <u>Id.</u>

Petitioner has also faced financing issues that have just recently been resolved. The delay in obtaining RUS funding, despite Petitioner's best efforts, has led to delay in procuring CDMA network implementation and Phase II compliance as quickly as Petitioner would have preferred.

The public policy behind the Commission's E911 rules is to meet important public safety needs as quickly as reasonably possible. Allowing Petitioner to attain ALI-capable handset activation and penetration on a deferred schedule will serve this objective. The deployment obstacles faced by Petitioner are not of its own making. Until vendors could make available to Petitioner a working Phase II product, and until Petitioner's funding sources were fully satisfied with the proposal, Petitioner was restrained from offering its customers the benefits of Phase II location technology. Petitioner remains in this situation until RUS funds are released and Nortel finalizes CDMA deployment. Under these circumstances, the handset activation and penetration timetable proposed herein is a reasonable means by which Petitioner may achieve E911 Phase II compliance.

Despite the described challenges, Petitioner is making continuous progress toward deployment of Phase II services and introduction of ALI-capable handsets in its service area. Petitioner is pursuing a workable path that will enable it to deliver Phase II information as soon as it is technically possible, in coordination the local PSAPs, and allow customers to acquire handsets that will deliver Phase II location data.

⁸ E911 Fourth Memorandum Opinion and Order, 15 FCC Rcd 17442, at 17449.

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Petitioner has presented a well founded request for waiver for good cause shown,⁹ and

has demonstrated that "special circumstances warrant deviation from the general rule, and such

deviation will serve the public interest." Petitioner requests a temporary waiver of up to nine

months, having established a "clear path to compliance" despite technological and financial

impediments. Petitioner is committed to compliance with its Phase II obligations and desires to

bring the safety benefits of Phase II to the fullest extent at the earliest time possible.

III. Conclusion

For the reasons set forth above, Petitioner requests a temporary waiver of Section

20.18(g) of the Commission's rules. The public interest benefit in this case equals or exceeds that

which the Commission has found in other instances to be sufficient for waiver. Accordingly,

Petitioner requests grant of a waiver and temporary extension of up to nine months, as proposed.

Respectfully submitted,

NORTH CAROLINA RSA 3

CELLULAR TELEPHONE COMPANY

d/b/a CAROLINA WEST CELLULAR

Pamela L. Gist

Its Attorneys

Lukas, Nace, Gutierrez & Sachs, Chartered 1111 19th Street N.W. Suite 1200

Washington, D.C. 20036

(202) 857-3500

November 20, 2003

⁹ 47 C.F.R. § 1.3.

¹⁰ E911 Fourth Memorandum Opinion and Order, 15 FCC Rcd 17442, at 17457; Northeast Cellular Telephone Co. v. FCC, 897 F.2d 1164, 1166 (D.C. Cir. 1990) citing WAIT Radio V. FCC, 418 F.2d 1153, 1159 (D.C. Cir. 1969).

¹¹ E911 Fourth Memorandum Opinion and Order, 15 FCC Rcd 17442, at 17457, para. 44.



Rural Business-Cooperative Service • Rural Housing Service • Rural Utilities Service Washington, DC 20250

SEP 2 4 2002

Mr. Hobart G. Davis, President North Carolina RSA 3 Cellular Telephone Company d/b/a Carolina West Wireless P.O. 959 Wilkesboro, North Carolina 28697

Dear Mr. Davis:

A Loan Guarantee Commitment (Commitment) in the amount of \$\frac{1}{2} \text{ has been approved for your organization.} Under this commitment, the Government will guarantee a loan in this amount to North Carolina RSA 3 Cellular Telephone Company d/b/a Carolina West Wireless (Carolina West) from the Federal Financing Bank (FFB) under the terms and conditions set forth in the contract of guarantee now in effect between the Rural Utilities Service and FFB. The proceeds of the guaranteed loan are to be used for the purposes set forth in our letter of September 9, 2002.

The loan guarantee documents will be forwarded in the near future for execution. This Commitment is approved with the understanding that the loan guarantee documents will be authorized and executed by your organization and returned to us within the time period which will be set forth in the letter of transmittal.

JV 4

Administrator

Rural Utilities Service





Rural Business-Cooperative Service • Rural Housing Service • Rural Utilities Service Washington, DC 20250

NOV 18 2002

DESIGNATION NOTICE

NOTICE TO:

Manager
Federal Financing Bank
United States Department of the Treasury
Room 3054, Main Treasury Building
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Mr. Hobart G. Davis President North Carolina RSA 3 Cellular Telephone Company P.O. Box 959 Wilkesboro, North Carolina 28697

Reference is made to the Note Purchase Commitment and Servicing Agreement, dated as of January 1, 1992 (the "Agreement"), between the Federal Financing Bank ("FFB") and the Administrator of the Rural Electrification Administration, predecessor to the Administrator of the Rural Utilities Service ("RUS"), as amended.

Pursuant to Section 3.1 of the Agreement, RUS hereby notifies FFB and North Carolina RSA 3 Cellular Telephone Company (Carolina West Wireless), that RUS has designated Carolina West Wireless to be a "Borrower" for purposes of the Agreement.

This designation irrevocably commits FFB to purchase, pursuant to the Federal Financing Bank Act of 1973, as amended (12 U.S.C. 2281 et. seq.), a promissory note in the maximum principal amount of to be made by the Borrower payable to FFB, in the form of note attached to the Borrower's counterpart of this Designation Notice (the "Note"). This designation also commits RUS to guarantee, pursuant to the Rural Electrification Act of 1936, as amended (7 U.S.C. 901 et seq.), the Note. These commitments of FFB and RUS are subject to the terms and conditions of the Agreement.

To enforce these commitments, the Borrower must duly execute and deliver to RUS, as agent for FFB, and RUS must so receive, all within 90 days of the date of this Designation Notice:

2

- (1) the Note; and
- (2) the instrument prescribed by RUS to evidence the Borrower's obligation to pay RUS for any amounts paid by RUS in accordance with RUS's guarantee of the Note.

A copy of the Agreement (or a facsimile thereof) is attached to the counterpart of this Designation Notice delivered to the Borrower.

RURAL AUTILITIES SERVICE

Name: Hilda Gay Legg

Title: Administrator

Rural Utilities Service

Date:_____NOV | 8 2002

Attachments (to Borrower's counterpart only):

copy of Agreement form of Note

RUS PROJECT DESIGNATION:

NORTH CAROLINA 547-A9 CAROLINA WEST

MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

made by and between

NORTH CAROLINA RSA 3 CELLULAR TELEPHONE COMPANY P.O. Box 959

Wilkesboro. North Carolina 28697.

as mortgagor and debtor.

and

UNITED STATES OF AMERICA Rural Utilities Service Washington, D.C. 20250-1500.

as mortgagee and secured party.

Dated as of November 1, 2002

Identified as form of document presented to and approved by the Board of Directors
Trustees of the above named Corporation at a meeting held becember 12, 2002.

Secretary of Meeting

THIS INSTRUMENT GRANTS A SECURITY INTEREST IN A TRANSMITTING UTILITY.

THE DEBTOR AS MORTGAGOR IS A TRANSMITTING UTILITY.

THIS INSTRUMENT CONTAINS PROVISIONS THAT COVER REAL AND PERSONAL PROPERTY. AFTER-ACQUIRED PROPERTY. PROCEEDS, FUTURE ADVANCES AND FUTURE OBLIGATIONS.

ORGANIZATIONAL NO. SOSID0260644

No. _ A

Generated: September 22, 2002



Rural Utilities Service P. O. Box 8377 Greensboro, NC 27419

AUG 2 9 2003

Mr. John T. McMillan General Manager Carolina West Wireless P.O. Box 959 Wilkesboro, NC 28697

Dear Mr. McMillan:

This letter will confirm that I have reviewed the plans and specifications for additions to the existing Nortel Mobile Telephone Switching Office and cellsites. I am approving the P&S and Carolina West Wireless may now negotiate pricing with Nortel per previous RUS approval of your request to negotiate. I have conveyed the proper RUS construction procedures to be followed to your engineer, Mr. William Crownfield, in several meetings. This includes the environmental and flood finding clearances that must be cleared prior to any construction of facilities on the various cellsites.

Please let me know if you have any questions.

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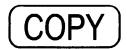
Sincerely,

PATRICK D. CAREY

RUS General Field Representative

Cc: Bill Crownfield-CWW

Chief, Engineering Branch, USDA-RUS-Eastern Area Telecommunications Program





ATTACHMENT E

October 3, 2003

Ms. Farwa Naqvi, Chief Eastern Area Engineering Branch Telecommunications Program Mail Stop 1599 / 1400 Independence Ave. SW Room 2859 South Ag. Bldg. Washington, DC 20250 - 1599

Dear Ms. Naqvi,

This letter is to certify the acceptance and resolution of the proposed Nortel CDMA equipment and installation by the NC RSA 3 Cellular Telephone Company d/b/a Carolina West Wireless Board of Directors. At the Regular Meeting of the NC RSA 3 Cellular Telephone Company d/b/a Carolina West Wireless Board of Directors held at the offices of Carolina West Wireless in Wilkesboro, NC on September 11, 2003, a motion was made, seconded and unanimously passed to approve the Manager's recommendation to accept the quote of \$ from Nortel Networks.

Sincerely,

C. E. Ritenour, Yr., Vice President

NC RSA 3 Cellular Telephone Company

d/b/a Carolina West Wireless





Rural Business-Cooperative Service • Rural Housing Service • Rural Utilities Service

Washington, DC 20250 North Carolina RSA 3 Cellular Telephone Company P. O. Box 959 Wilkesboro, North Carolina 28697 OCT 23 0003 SUBJECT: North Carolina 547 - Carolina West We have approved the following document(s): . An estimated amount of Force Account Construction Proposal No. has been encumbered. A copy of the document is enclosed. , dated X Contract No. September 11, 2003, Nortel Networks, Inc. . An estimated amount of with has been encumbered. A copy of the document is enclosed. Amendment No. , dated , dated , with Contract No. . This amendment in the amount of (increases) (decreases) the contract amount to Final documents or statement of fees for: Contract No. , in the amount of Please note that RUS Form 280, Notice of Contract Approval, is being replaced by this form Very truly yours, Chief, Eastern Area Engineering Branch Telecommunications Program Enclosure(s) cc: Nortel Networks, Inc.

> Plural Development is an Equal Opportunity Lender Complaints of discrimination should be sent to: Secretary of Agriculture, Washington, DC 20250

DECLARATION

I, John McMillan, hereby state and declare:

- 1. I am General Manager of North Carolina RSA 3 Cellular Telephone Company d/b/a Carolina West Wireless.
- 2. I am familiar with the facts contained in the foregoing petition, and I verify that those facts are true and correct to the best of my knowledge and belief, except that I do not and need not attest to those facts that are subject to official notice by the Commission.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 20th day of November, 2003.

John McMillan

CERTIFICATE OF SERVICE

I, Daniel Ladmirault, an employee in the law offices of Lukas, Nace, Gutierrez & Sachs, Chartered, do hereby certify that I have on this 20th day of November, 2003, sent by U.S. mail, first-class delivery, a copy of the foregoing Petition to the following:

John Muleta, Chief Wireless Telecommunications Bureau Federal Communications Commission 445 12th Street, S.W., Room 3-C252 Washington, D.C. 20554

David Solomon, Chief Enforcement Bureau Federal Communications Commission 445 12th Street, S.W., Room 7-C485 Washington, D.C. 20554

Blaise Scinto, Acting Chief Policy Division Wireless Telecommunications Bureau Federal Communications Commission 445 12th Street, S.W., Room 3-C133 Washington, D.C. 20554

Jennifer Tomchin, Legal Advisor Policy Division Wireless Telecommunications Bureau Federal Communications Commission 445 12th Street, S.W., Room 3-C400 Washington, D.C. 20554

Eugenie Barton Policy Division Wireless Telecommunications Bureau Federal Communications Commission 445 12th Street, S.W., Room 3-A104 Washington, D.C. 20554

Robert M. Gurss, Director, Legal & Government Affairs APCO International 1725 DeSales Street, NW, #808 Washington, D.C. 20036 James R. Hobson Miller & Van Eaton, P.L.L.C. 1155 Connecticut Ave. N.W., Suite 1000 Washington, D.C. 20036 Counsel for NENA and NASNA

John Ramsey, Executive Director APCO International, Inc. World Headquarters 351 N. Williamson Blvd. Daytona Beach, FL 32114-1112

Jim Goerke, Interim Executive Director NENA 422 Beecher Rd. Columbus, OH 43230

Evelyn Bailey, Executive Director, NASNA Vermont Enhanced 9-1-1 Board 94 State Street Drawer 20 Montpelier, VT 05620-6501

Daniel Ladmirault